or purchase of houses in India for residential purpose; and

(b) if so, what are the reasons for not permitting the approval u/s 36(1) (viii) of the Income-Tax Act, 1961 to some financial corporations/public companies which are engaged in the construction of residential houses and which are providing long term finance to help the lower and middle class of people?

THE MINISTER OF STATE IN THE DEPARTMENT OF EXPENDITURE IN THE MINISTRY OF FINANCE (SHRI B. K. GADHVI): (a) Yes, Sir. provided the public company/financial corporation is approved by the Central Government for the purpose of Section 36(1) (viii) of the Income Tax Act

(b) The reason for not including financial corporations/public companies which are engaged in constructing residential houses u/s 36(1) (viii) of the Income-tax Act, 1961 is that the construction activity is highly profitable and it does not require any fiscal incentive The activity of providing finance on long term basis for the construction/purchase of residential houses/flats, not being a profitable activity, fiscal incentive u/s 36(1)(viii) of the Income-Tax Act, 1961 has been provided. Even such companies which are engaged in constructing residential houses and providing long term finance for construction/purchase of residential houses/flats have not been extended this fiscal incentive as in their case, the activity of providing long term finances is only incidental to their main activity of construction/sale of residential houses/flats.

Preaching of communal hatred

3266 DR MOHD. HASHIM KIDWAI: Will the Minister of HOME AFFAIRS be pleased to state:

(a) the number of persons arrested in the country, Statewise and Union Territorywise for delivering speeches preaching communal hatred or for writings preaching hatred among various communities in the country during year 1986 and so far during the current year; and

(b) the number of persons convicted for delivering highly inflammatory and provocative speeches and highly objectionable writings, State-wise and Union Territory-wise, during these years?

THE MINISTER OF STATE IN THE MINISTRY OF PERSONNEL, PUBLIC GRIEVANCES AND PENSIONS AND THE MINISTER OF STATE IN THE MINISTRY OF HOME AFFAIRS (SHRI P. CHIDAMBARAM): (a) and (b) A statement showing the number of persons arrested/convicted State-wise/U.T. wise, for preaching communal hatred during 1986-87 is enclosed (*See* below). Information in respect of the remaining States/UTs is being collected and it would be laid on the Table of the House.

Statement

Sl. No.	States/UTs	No. of persons arrested	No. of persons convicted.
	States		
1	Haryana	5	..
2	Andhra Pradesh	3	..
3	Sikkim	..	..
4	Manipur	..	..
5	Tripura	..	..
6	Goa	..	..
7	Mizoram	..	..
B.	*UT Admns.*		
1	Delhi	83	..
2	Chandigarh	24	..
3	Andaman & Nicobar Islands	1	..
4	Pondicherry	51	..
5	Dadra & Nagar Haveli	..	..
6	Lakshadweep	..	..